BLICK ROTHENBERG
a part of AZETS

Michaela Community Schools Trust
Michaela Community School
North End Road
Wembley
Middlesex
HA9 0UU

Our ref: MH/62461/AH

22 December 2021

Dear Sir/Madam

Michaela Community Schools - Internal Control System

In the course of our recent visit in connection with the audit of the accounts for the year ended 31 August 2021 certain weaknesses in procedures and controls came to our notice. These matters are analysed in the table below. We are writing to you in order to draw attention to these matters and to suggest ways in which the system could be improved.

As explained in the letter of engagement sent to you on 18 December 2019 our audit work involves evaluating only those systems and internal controls in the school upon which we rely for the purpose of determining our audit procedures. Accordingly, our audit may not have identified, and the comments in this letter may not be a comprehensive record of, all weaknesses that may exist.

The responsibility for maintenance of an adequate system of internal control as well as for the prevention and detection of irregularities and fraud rests with management. We are not required to search specifically for fraud and therefore cannot be relied upon to disclose all such matters. However, our audit was planned so that we would have reasonable expectation of detecting material mis-statements in the accounts resulting from irregularities or fraud.

Observation	Implication	Recommendation	Client Response
We note that the disposal of a piece of land which was settled with the counterparty purchasing some items for the school was not recorded in the fixed asset register.	The fixed asset register was not up to date.	All fixed asset movements should be recorded.	Noted and agreed

Our review of the finance policy revealed that it states that a float of £10,000 was held in the safe.	Cash levels held in the safe are too high.	Cash held in the safe should be lower.	The finance policy will be updated to reflect that lower cash balances are held.
Internal audit reviews have been carried out in the year, but the action points are not recorded.	There is a risk that recommendations may be overlooked.	Actions from the internal audit reviews should be recorded in the minutes of the audit committee meeting and/or the full governing board meetings.	All recommendations from the internal audit process are being implemented. Actions are brought to the attention of the finance governors and these will be recorded in the minutes going forward.

Yours faithfully

Mark Hart
Partner
on behalf of Blick Rothenberg Audit LLP

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